



Iowa Department of Human Services

Kim Reynolds
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Director

INFORMATIONAL LETTER NO.1811-FFS

DATE: August 1, 2017

TO: Iowa Medicaid Residential Care Facilities (RCF)

APPLIES TO: Fee-for-Service

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: Reimbursement Rate and Submission of Cost Reports

EFFECTIVE: July 1, 2017

Reimbursement Rate

2017 Iowa House File 653 updated the payment methodology for RCF services. Effective July 1, 2017, all privately operated licensed RCFs will be reimbursed at the maximum per diem rate.

June 30, 2017 Fiscal Year End Cost Reports

Cost reports for the period ending June 30, 2017, must still be submitted and received by the IME on or before **October 2, 2017**. If the RCF is associated with a nursing facility the cost report is due in our office on or before **November 30, 2017**.

Pursuant to the Iowa Administrative Code (IAC) Section 441 Chapter 54.3(3)d, if the cost report is not postmarked or sent by the due dates noted above, it is considered delinquent and your facility's payment rate will be reduced to 75 percent of the current rate. The reduced rate shall be paid for no longer than three months, after which time no further payments will be made.

Cost Reports with Fiscal Year End's After June 30, 2017

IAC Section 441 Chapter 54.3 is being updated so that privately operated RCFs no longer have to submit cost reports after the June 20, 2017, fiscal year end.

The IME appreciates your continued partnership. If you have questions, please contact the IME Provider Cost Audit and Rate Setting Unit at 1-866-863-8610 or email at costaudit@dhs.state.ia.us.